

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

IN RE: ANC RENTAL CORPORATION, et al.

ANC RENTAL CORPORATION, et al.	§	
	§	
Appellant	§	Civil Action No. 04-1430
	§	
v.	§	
	§	
HARRIS COUNTY, ET AL.	§	
	§	
Appellee	§	Bankruptcy Case No. 01-11200

**STIPULATION ALLOWING CLAIMS OF THE
HARRIS COUNTY, TEXAS TAXING AUTHORITIES AND RESOLVING HARRIS
COUNTY ADVERSARY PROCEEDING AND APPEAL**

WHEREAS, on November 13, 2001, (the "Petition Date"), ANC, a Delaware corporation, ("Debtor"), filed a voluntary petition for relief under 11 U.S.C. § 101 *et. seq.* (the "Bankruptcy Code"), in the United States Bankruptcy Court for the District of Delaware;

WHEREAS, upon confirmation of Debtor's Plan of Reorganization, this Court retained jurisdiction to hear and determine Claims;

WHEREAS certain taxing authorities located in Harris County, Texas, and vested with statutory authority for imposition and collection of local ad valorem taxes against taxable assets within their county, (hereafter, collectively, "the Harris County, Texas Taxing Authorities"), filed various proofs of claim against Debtor, for alleged unpaid and owing ad valorem taxes, plus post-petition interest thereon; and

WHEREAS Debtor interposed various objections to the claims in Debtor's Sixth Omnibus Objection to claims; and

WHEREAS Debtor also challenged various claims of the Harris County, Texas Taxing Authorities in Adversary filing No. 03-53895-MFW styled ANC Corporation v. County of

Harris, Et. Al. (the "Harris County Adversary"), which the Bankruptcy Court dismissed, upon motion, but as to which dismissal Debtor perfected a timely appeal;

WHEREAS, in resolution of the disputed issues, certain specified claims will be allowed, as enumerated below, to be paid on or before March 31, 2005, followed by expungement and withdrawal of all other claims of the Harris County, Texas Taxing Authorities and Debtors objections thereto; and

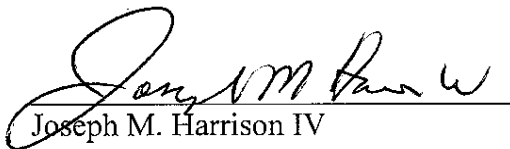
WHEREAS, Debtor has, separately, settled its disputes with the remaining taxing authority involved in the Harris County Adversary, thus facilitating complete dismissal, with prejudice, of its appeal of the Order Dismissing the Harris County Adversary:

NOW THEREFORE, IT IS HEREBY STIPULATED AS FOLLOWS:

1. Claim Number 8921 submitted by County of Harris, State of Texas, in the amount of \$236,331.50, and on behalf of the City of Houston in the amount of \$220,492.53, shall be allowed and paid in the amounts of 295,414.37 to the County of Harris and \$275,615.66 to the City of Houston, respectively.
2. Claim Number 10301, submitted by County of Harris, State of Texas, in the amount of \$191,568.86, and on behalf of City of Houston in the amount of \$177,223.08, shall be allowed and paid in the amounts of 239,461.08 to the County of Harris and \$221,528.85 to the City of Houston.
3. Claim Number 8928 submitted by the Houston Independent School District in the amount of \$141,423.75 shall be allowed and paid in the amount of \$176,779.69.
4. Claim Number 8925 submitted by the Katy Independent School District in the amount of \$ 97,529.76 shall be allowed and paid in the amount of \$103,100.76.
5. All of the payments specified above shall be paid on or before March 31, 2005, and deemed paid expressly subject to the terms of this Stipulation, whether or not the same has yet been approved by formal Order of the U.S. District Court or U.S. Bankruptcy Court.

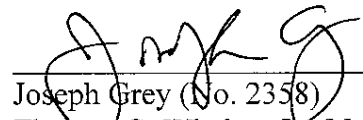
6. Other than as to the claim numbers specifically enumerated above and as allowed in the specified amounts, any and all other claims filed herein by any of the listed Harris County, Texas Taxing Authorities shall be, and the same are, expunged and, in consideration for the allowed amounts specified above, are deemed withdrawn by the claimants. Debtors' objections to the enumerated claims, pursuant to allowance of the claims in the amounts set forth above, are also deemed withdrawn.

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